EXECUTIVE ORDER ON ADDRESSING CLIMATE CHANGE AND ENERGY WASTE PREVENTION

I. Background and Purpose

To further New Mexico's responsibility and opportunity to build a clean energy future for our people, limit adverse climate change impacts that harm our natural and cultural heritage, prevent the waste of New Mexico energy resources and reduce pollution that threatens human health, I hereby issue this Executive Order.

II. Climate Change

WHEREAS, climate change creates new risks and exacerbates existing vulnerabilities in communities across New Mexico and presents growing challenges for human health and safety, quality of life, and the rate of economic growth.

WHEREAS, in a special report authored by the United Nations and World Meteorological Organization Intergovernmental Panel on Climate Change ("IPCC"), it was found that the planet has as little as 12 years to take meaningful climate action in order to limit the increase in global average temperature to 1.5°C – the level necessary to forestall dramatic climatic changes that will further imperil our water supplies.

WHEREAS, carbon dioxide, methane, nitrous oxide, hydrofluorocarbons (HFCs), perfluorocarbons, and sulfur hexafluoride are recognized as the six greenhouse gases contributing to climate change.

WHEREAS, in 2009, the U.S. Environmental Protection Agency ("EPA") found that these "six greenhouse gases taken in combination endanger both the public health and the public welfare of current and future generations."

WHEREAS, in May 2010, the National Research Council, the operating arm of the National Academy of Sciences, published an assessment which concluded that "climate change is occurring, is caused largely by human activities, and poses significant risks for - and in many cases is already affecting - a broad range of human and natural systems."

WHEREAS, carbon dioxide is emitted through the combustion of fossil fuels for electricity generation and for combustion-engine vehicles.

WHEREAS, the U.S. Energy Information Administration finds that the <u>transportation sector is</u> the <u>largest anthropogenic source of carbon dioxide</u> emissions in the United States.

WHEREAS, methane is a powerful greenhouse gas, 84 times more effective at trapping heat than carbon dioxide over a 20-year timeframe.

WHEREAS, the oil and gas industry is the largest industrial source of methane emissions.

WHEREAS, HFCs are potent greenhouse gases used in the refrigeration, air conditioning, and foam industries, for which alternatives are readily available and approved for use by the EPA.

WHEREAS, governments and global industries have expressed widespread support for a global transition to alternatives to HFCs, as agreed to in the 2016 Kigali Amendment to the Montreal Protocol.

WHEREAS, New Energy Conservation Code templates are developed by the International Code Council every three years. New Mexico adopted and is using the 2009 International Energy Conservation Code (IECC), which puts the state three full code cycles behind. As newer, safer, and more durable building materials, technologies, and techniques become more commonplace, they are voted on and incorporated into the model energy code.

WHEREAS, energy codes create safe, resilient, and habitable structures based on building science and physics principals for heat, air, and moisture transfer—all of which have real and significant impacts on human lives and health; they also can cut utility bills in buildings.

WHEREAS, low- and zero-emission vehicles can provide long-term public health, environmental, and climate benefits.

WHEREAS, federal rollbacks of climate protections, waste prevention, and clean air rules have made it imperative for New Mexico to act to protect our citizens and our economy from the damages of climate change impacts.

WHEREAS, emissions, venting, flaring, and leaks of natural gas by New Mexico's oil and gas industry results in the waste of an important source of domestic energy to the tune of an estimated \$244 million per year.

WHEREAS, oil and gas production growth in the New Mexico Permian Basin resulted in an 18% increase in venting and flaring volumes during the first seven months of 2018 compared to 2017 according to official state statistics.

WHEREAS, efforts to reduce methane emissions throughout New Mexico will have a significant climate benefit as well as prevent the waste of energy resources.

WHEREAS, science, innovation, collaboration and compliance efforts can prevent waste, methane emissions and improve air quality while creating jobs for New Mexicans.

III. Directives

NOW, THEREFORE, by the authority vested in me as Governor by the Constitution and laws of the State of New Mexico, IT IS ORDERED:

1. The State of New Mexico will support the 2015 Paris Agreement Goals by joining the U.S. Climate Alliance. New Mexico's objective is to achieve a statewide reduction in greenhouse gas emissions of at least 45% by 2030 as compared to 2005 levels.

- 2. The Secretary (or designee) of each state agency shall serve on an interagency Climate Change Task Force which is hereby established. The Secretary (or designee) of the Energy, Minerals and Natural Resources Department ("EMNRD") and the Environment Department ("NMED") shall serve as the Co-Chairs, convening meetings, facilitating stakeholder participation, and providing strategic direction for achieving the above goals in developing a New Mexico Climate Strategy document.
- 3. All State Agencies shall evaluate the impacts of climate change on their programs and operations and integrate climate change mitigation and adaptation practices into their programs and operations. The agencies shall share these actions with the Climate Change Task Force for inclusion into the New Mexico Climate Strategy document.
- 4. EMNRD and NMED shall work with stakeholders on legislation to increase the New Mexico renewable portfolio standard ("RPS") and increase New Mexico's energy efficiency standards for electric utilities.
- 5. The Climate Change Task Force shall evaluate policies and regulatory strategies to achieve reductions in greenhouse gas pollution, consistent with the targets set out above, across all categories of emission sources. Such policies and regulatory strategies shall include, but not be limited to, the following:
 - a. Adoption of a comprehensive market-based program that sets emission limits to reduce carbon dioxide, and other greenhouse gas pollution across New Mexico;
 - b. Adoption of approaches to reduce greenhouse gas and criteria pollutant emissions from light-duty vehicles sold in state, including Low Emission Vehicle (LEV) emission standards and Zero Emission Vehicle (ZEV) performance standards;
 - c. Adoption of building codes; and
 - d. Collaboration with the Renewable Energy Transmission Authority (RETA) to identify transmission corridors needed to transport the state's renewable electricity to market.
- 6. EMNRD and NMED shall jointly develop a statewide, enforceable regulatory framework to secure reductions in oil and gas sector methane emissions and to prevent waste from new and existing sources and enact such rules as soon as practicable.
- 7. EMNRD and NMED shall coordinate as much as possible with the New Mexico State Land Office and federal bureaus and agencies that manage land and natural resources in New Mexico to help advance the priorities identified in this Executive Order.
- 8. The Climate Change Task Force will develop a *New Mexico Climate Strategy* document with initial recommendations and a status update, where applicable, to the Governor by September 15, 2019.

IV. Disclaimer

Nothing in this Executive Order is intended to create a private right of action to enforce any provision of this Order or to mandate the undertaking of any particular action pursuant to this Order; nor is this Order intended to diminish or expand any existing legal rights or remedies.

THIS ORDER supersedes any other previous orders, proclamations, or directives in conflict. This Executive Order shall take effect immediately and shall remain in effect until such time as it is rescinded by the Governor.

ATTEST: DONE AT THE EXECUTIVE OFFICE THIS 29th DAY OF JANUARY, 2019

WITNESS MY HAND AND THE GREAT SEAL OF THE STATE OF NEW MEXICO

MAGGIE TOULOUSE OLIVER SECRETARY OF STATE

MICHELLE LUJAN GRISHAM GOVERNOR